



Sustainability Policy Analysis (Team 2)

Country: South Africa	Author: Alice McGown
Topic: Renewable Energy	Date: 25 February 2020

Background Information:

South Africa's energy portfolio has been largely shaped by the nation's plentiful coal deposits. Eighty-eight percent of the country's electricity is generated at coal plants operated by Eskom, the national public utility [1]. Independent power producers have led the nation in transitioning to renewable energy, often targeting rural areas that are electrically underserved. Recent policy movements in the form of sustainable energy price supports and South Africa's membership in the International Renewable Energy Agency serve as first steps and have already resulted in the continent's highest rate of solar energy adoption.

Current Policy:

Renewable energy policy has primarily taken the form of price supports for solar and wind power generators, starting with 2009's Renewable Energy Feed-In Tariff and expanded via the Renewable Energy Independent Power Producers Procurement Programme in 2011 [2]. Entities such as IREA are designed to facilitate renewable energy policy, while the nation's main energy supplier, Eskom, is a public utility and can be directly controlled by the national legislature. Recent mismanagement episodes have prompted the reorganization of Eskom, creating opportunities for new policy to be considered [3].

Recommendations:

South Africa is transitioning from a coal-powered nation to becoming Africa's green energy leader [1]. Creating awareness around this and linking it to national pride may encourage greater buy-in from the ruling African National Congress political party. Eskom, the national public energy utility, is currently in crisis- many of their coal generation facilities are ill-maintained, their debt is now being sold on the international market, and the organization is undergoing restructuring [3]. This leaves open the possibility to fundamentally change the policies in place, accelerating South Africa's modest goal to retire 4/5ths of its coal capacity by 2050. This transition moment within Eskom, coupled with "green nationalism," provides an opportunity to set bigger goals and shut down further coal plant construction.

Influential Policymakers:

Andre de Ruyter – CEO, Eskom (has publicly committed to a carbon-free transition).
Maleho Margaret Nkomo – Deputy Chairperson, National Energy Regulator (background in tourism).
Barbara Creecy - Minister of Environment, Forestry and Fisheries (executive level policy-maker)

References:

- [1] J. Timperley and R. McSweeney, "The Carbon Brief Profile: South Africa," 15 10 2018. [Online]. Available: <https://www.carbonbrief.org/the-carbon-brief-profile-south-africa>. [Accessed 2021].

- [2] D. R. Walwyn and A. C. Brent, "Renewable Energy Gathers Steam in South Africa," *Renewable and Sustainable Energy Reviews*, vol. 41, pp. 390-401, 2015.
- [3] L. Prinsloo and A. Sguazzin, "Banks, Investor Push to Solve \$32 Billion Eskom Debt Crisis," 19 2 2021. [Online]. Available: <https://www.bloomberg.com/news/articles/2021-02-19/banks-fund-manager-push-to-solve-32-billion-eskom-debt-crisis>. [Accessed 2021].